

# CONGRESSIONAL RECORD — APPENDIX

be affected by less complex factors than we also face stiff competition for these markets.

It is evident, however, that if we make an adequate effort toward producing the kind of products that can be sold by these countries, as well as toward the creation of conditions of fair competition for our products on the world market, the United States can produce for, sell to, and service the needs of, a fair proportion of the less developed market areas, particularly in the newly emerging nations where, literally, they need everything.

The task will not be simple. To the contrary, this will be one of our major challenges in the days ahead—particularly in view of increasing competition, also for such markets from the Communist bloc.

Recently, *Economic World* published an informative article, reflecting upon important aspects of our foreign trade policies. I ask unanimous consent to have the article printed in the Appendix of the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

**U.S. FOREIGN TRADE POLICY NEEDS NO MAJOR CHANGE—SAY LEADING BUSINESSMEN, ECONOMISTS**

Despite increasing foreign competition and shifts in world economic conditions, a group of 31 leading U.S. businessmen and economists saw no reason for a major overhaul in U.S. foreign trade policy.

In the opinion of the majority, the country's 50-year effort to encourage freer world trade remains a sound objective for both political and economic reasons.

These views are set forth in a study compiled by a special staff of the Senate Interstate and Foreign Commerce Committee, made public as the committee opened hearings on export-import policies late last month.

## CONSENSUS OF VIEWS

While some advisers expressed reservations about the direction of U.S. foreign economic policies the majority, however, felt that:

A change in U.S. liberal trade policy would invite retaliation by other nations, shrink world trade, and ultimately sap free world economic strength.

The recent outflow of gold and increase in foreign dollar holdings represents a return to more normal patterns of international commerce eventually good for both the United States and its allies.

Continued balance-of-payments deficits in major proportions would pose a threat to U.S. economic stability, but damage is unlikely to occur because the Government has the means to deal with the problem.

The United States should continue to press for an elimination of restrictions on dollar goods especially by industrialized nations which raised trade barriers for balance-of-payments reasons.

Increased export sales would either eliminate or substantially reduce the red ink on the U.S. payments ledger.

The growth of U.S. investment abroad involves little threat to domestic employment or production with the exception of possible short-term implications for some industries.

The flow of U.S. money into foreign industries has helped stimulate greater industrialization, higher living standards, and more purchasing power, all conducive to an expanded demand for U.S. products.

Aid to underdeveloped countries should continue; any dislocation of U.S. export markets resulting from the growth of competitive industries will be insignificant in most cases and vastly outweighed by the long-range benefits to the free world economy.

U.S. policy toward trade with the Communist bloc should be brought into line with the policies of its allies.

## SOVIET COMPETITION

Included in the advisory group were three economists in addition to top-level businessmen with extensive foreign operations experience in such fields as automobiles, petroleum and petrochemicals, aluminum, steel, heavy industrial equipment, shipping, metals, textiles, and construction.

A question on how best to meet the stepped-up economic offensive of the Soviet Union and Communist China drew a wide variety of responses. Five members questioned whether private enterprise could compete for trade against state monopolies which can subordinate economic considerations to political purposes. Seven felt either that no specific action was necessary or that it was premature to judge Soviet intentions.

A majority of the group, however, felt that a more fruitful approach appeared to lie in the overall strengthening of the U.S. trade position. Their specific recommendations included: stabilization of world raw material prices through more commodity agreements; encouraging development of common markets; continued exchanges of technicians between free world nations; and greater encouragement of U.S. investment abroad.

The committee's staff report offered three recommendations designed to improve this country's export sales:

1. Reestablishment of the Foreign Commercial Service under the Department of Commerce and a vigorous effort to improve trade promotion activities. (The Service was incorporated into the State Department in 1939.)

2. Institution of a flexible system of export credit insurance enabling U.S. traders to match credit terms offered by West European and Japanese firms whose transactions are backed by government institutions. The report noted that an adequate guarantee system should offer exporters insurance on short- and medium-term transactions while covering all types of commercial and political risks at rates comparable to those available to foreign competitors.

3. Establishment of a U.S. Office of Travel and Tourism to promote visits to this country and recapture some of the \$1 billion annual travel deficit generated by the flood of dollar spending U.S. tourists into foreign countries. Committee Chairman WARREN G. MAGNUSON has introduced legislation to set up the proposed tourist promotion office.

## A Familiar Script—A Hero's Return—Is Played Again and Again

### EXTENSION OF REMARKS

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 1960

Mr. EVINS. Mr. Speaker, in connection with the recent soul-searching discussions we have had on the failure of the summit conference, the very able commentator, Marquis Childs, made some comments which should be of interest to my colleagues and others and, accordingly, I ask unanimous consent to have Mr. Childs' article reproduced in the Appendix of the Record.

The article follows:

### A FAMILIAR SCRIPT IS PLAYED AGAIN

(By Marquis Childs)

The favorite script of the Eisenhower administration is the hero's return. Whether it is the President himself or Vice President Nixon, we have seen the personal drama played out again and again of the hero who stands up to sticks and stones, insults, bad names, and then returns to the acclaim of a tumultuous welcome.

It is natural that the patriotism of Americans should respond to the fortitude of a leader who meets with adversity. But how much the personal drama really means in relation to America's position in the world and to America's aims is something else again.

President Eisenhower's reception on his return from Paris and the efforts to enhance his role in the tragedy of the U-2 and the collapse of the summit have a familiar resemblance to the drama of Nixon's return from Latin America 2 years ago. Nixon had been stoned in Venezuela, spat upon in Uruguay and denounced in Peru. When he returned to a highly organized reception at the airport, it was the President who directed the chorus of "Hail to the Conquering Hero." This was Nixon's assignment as the President returned from Paris.

Nixon said that his trip had demonstrated that top priority must be given to Latin America. It is well the trip was taken at this time, he was quoted as saying, for it brought out into the open the problems we face before they could get worse.

There is little evidence that important steps have been taken to upgrade Latin America. Nothing like the recasting of American policy, which Nixon seemed to feel was essential, has occurred.

The Nixon drama, while it gave a boost to the Vice President's stock in the polls and filled the headlines and the television screens, had no demonstrable effect on policy. The script was faithfully adhered to, with the Vice President ignoring the cautious advice of the experts and boldly invading centers of anti-American opposition. But it was an interior drama, enthralling for home consumption while meaning little beyond our own shores.

All this is relevant to the President's proposed visit to Japan and the massive demonstrations being staged against the Japanese-American defense treaty. He can go as planned, arriving in Tokyo on June 19, the date the treaty is due to become effective. And, defying the fanatical left-wing opposition, he could probably return to Washington for another reception, more triumphal arches and Government workers dismissed to stand on the sidewalk to greet him.

Doubts are increasing, however, as to the wisdom of this course. There remains a possibility of postponing the visit until after the elections in November. The President would have a valid reason to put off the trip in view of the complications growing out of the collapse of the summit and the stormy consequences in Congress of what has happened during the past month.

The administration apparently feels under the necessity to cast recent events in such a way as to absolve the President of any blame for what went wrong. The account currently being given of what led to the collapse in Paris varies radically with what American reporters were being told as the events occurred.

The major effort seems to be to convince the public that the U-2 made no difference whatever to the outcome. Secretary of State Herter's story is that Soviet policy had undergone a complete switch before May 1.

But this is not what we were told in Paris by briefers who presumably had authorita-